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AN OVERVIEW OF PACIFIC ASIA

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SUMMARIES

A POLITICAL OVERVIEW OF EAST ASIA

Introduction

The decade of the Sixties was a period of dynamic and remarkable change that had a profound impact on East Asia. Above all, perhaps, it was a decade of technological change. The jet plane, the computer, the photostatic copier, television, transistors, and the communications satellites all came into widespread use during this decade. Collectively these innovations provided a diversified technological base for a period of unparalleled economic growth, which enabled even relatively backward nations to benefit from the wonders of modern technology. A few basic GNP statistics should suggest how the introduction of this technology helped create the decade of prosperity which prevailed during the Sixties. Although the World GNP grew by roughly the same overall percentage in both the Fifties and Sixties (65-67%), the percentage for the Advanced Countries (excluding the U.S.) increased from roughly 71% to 87%; for the Developing Nations from 62% to 70%; for the U.S. from 37% to 47%; and for Advanced Europe from 60% to 73%. Only Japan suffered a relative decline - from roughly 310% to 286% !

Political developments during the decade were equally dramatic, with significant changes in political leadership and the emergence of powerful new political forces. One by one, the older generation of political leaders who had led their nations through World War II or the fight for independence were replaced by a younger generation who clearly had a somewhat different outlook on the world and a different set of priorities. At the same time, students and blacks, among other groups, began to have a notable and unprecedented impact on the politics of the decade. Unexpectedly, in the U.S., so did the assassin's bullet. Yet probably an even more historic development was the virtual end of the Soviet-American Cold War which seemed to signify the imminent decline of the postwar era of ideological confrontation and the beginning of a new period of East-West detente.

The Decade of Change in East Asia

In many respects, East Asia may have experienced greater change during this decade than any other region in the world. It began the decade economically poor and actually physically isolated from the rest of the world. Until the advent of the jet plane, East Asia was indeed far from everywhere, and certainly in 1960 it was still a relatively insignificant factor in the international economy. But during the decade East Asia tripled its GNP, virtually doubled its GNP Per Capita, achieved the highest growth rate of any region in the world, and in the process established itself as a major factor in international trade.

realized that the changing political environment in the region was creating new political opportunities for China to effectively re-emerge from self-imposed isolation and regain a measure of regional and international political influence.

The Impact on the Developing East Asian Nations

But how was this likely to affect the developing East Asian nations? For these nations, there was the obvious danger that expanding relations with the Communist Powers would invest the remaining leftist forces with a certain legitimacy. And there was an additional danger that these nations would prove too weak to fill the inevitable political vacuum that would be created by the reduced U.S. presence in the region and thus become excessively vulnerable to Communist political-economic influence. In essence, the basic potential danger was that these nations would prove to be too weak to stand on their own.

As it turned out, this was not what happened. The major East Asian Governments were already relatively well established by the time the detente occurred and they used the detente as a pretext for consolidating and reinforcing political control over their respective nations. Implicit in these actions was the argument that the more fluid external political environment demanded greater control over political affairs at home. Insurgent oppositions, of any complexion, were not to be tolerated at a time when the U.S. presence in the region was being reduced and the Soviet and Chinese presence was expanding. Indeed, only on the basis of internal unity and strength could the respective governments in the region negotiate successfully with the Chinese and the Russians. Thus with Communist insurgents still operating to one extent or another in practically every one of the developing East Asian nations, the various governments could cite some justification for increasing their powers. And, where the insurgent threat was insufficiently persuasive, additional evidence of the dangers from radical elements in the country was simply manufactured, most notably in the Philippines.

The general public response to these developments has been relatively passive indulgence. In part because the opposition in almost all of the countries is fragmented and disorganized, but also because the ruling governments have been responsible for the growing prosperity which in many instances is more meaningful to the people of these countries than a marginal decline in civil liberties. Additionally, the populace in most of these nations has been willing to concede that a degree of authoritarian government may be necessary in nations with immature political systems and developing economies, as long as the present governments continue to implement effective economic growth policies and do not begin to become politically oppressive. What this may suggest, perhaps, is that the populace of these nations are willing to make significant sacrifices

to maintain political and economic stability particularly when the only alternatives appear to be instability and political violence. Thus in a sense, the present governments will remain in power provided they can continue to maintain public confidence in their performance, and thus far they seem to be generally succeeding.

Nevertheless, there are serious problem areas in all of these countries. In Thailand, the government became so oppressive and overconfident that it was finally overthrown by students acting with the support or acquiescence of the Monarchy and elements of the military; demonstrating that when conditions are sufficiently oppressive or unsatisfactory an effective opposition can emerge. In South Korea, there is growing discontent and it is questionable whether Park Chung Hee will be able to continue for long to use his control over the military and police to prevent the formation of an effective opposition. In Indonesia, the primary opposition group would appear to be the students but it is critically important to note that most of the criticism of the government is directed against Suharto's principal aides, not against Suharto himself. There seems to be a general consensus among almost all politically active elements that Suharto is probably the only man who has the power and prestige to maintain stability and unity in the country. In Malaysia, the ruling government recently won a significant victory in national elections and here again there would appear to be a general consensus that there is virtually no alternative to the Razak Government. In the Philippines, the available evidence would suggest that the majority of the population is actually doing better under martial law despite the infringements on civil liberties because of the significant increase in government efficiency.

Future Economic Prospects

A principal determining factor in the region's future stability will almost certainly be the ability of the East Asian governments to contend with inflation while still expanding their economies and improving the domestic quality of life. These governments are committed to this objective, their people expect it, and their future political survival is likely to depend on the extent to which they can achieve it. Ironically, though, the governments in fulfilling this objective may still fail unless they are also able to achieve a more equitable distribution of wealth. But, this will not only demand a substantial improvement in the efficiency of these governments as well as a major reorientation of priorities, it will also involve a radical reduction in the time-honored practice of corruption. So many Asian bureaucrats and politicians are dependent on corruption for their livelihood that this will be an exceedingly painful process; the consolation is that the alternatives could be even worse. East Asia is a region which has already seen some of the benefits of economic progress so it is inevitable that if the economic problems of the region are not overcome, growing economic discontent could develop directly into political rebellion and upheaval.

NOTABLE ECONOMIC FACTS ABOUT PACIFIC ASIA

1. Pacific Asia represents 18% of the world's population and 14% of the world's GNP.
 - a. Second highest population of any region in the world.
 - b. Largest GNP and highest GNP Per Capita of any developing region of the world.
 - c. Only the U.S. and Western Europe have a higher GNP or GNP Per Capita.
 - d. Since 1960 it has maintained the highest GNP and GNP Per Capita growth rate in the world.
2. Pacific Asia had the second highest trade volume in the world in 1973. Only Western European volume was greater.
 - a. Largest overall export and import increase of any region in 1964-73.
 - b. Developing East Asia had the second highest annual trade growth rates in 1967-1972.
 - c. Pacific Asia had the second lowest ratio of exports to GNP in the world in 1972.
3. Pacific Asia was the largest U.S. export market in 1973.
 - a. Japan is the U.S.' single most important trading partner.
 - b. Between 1964-1973 U.S. trade with Pacific Asia increased faster than U.S. trade with any other region in the world.
4. U.S. investments in Pacific Asia represented only 10% of total investments but earnings as a percent of book value were the highest for U.S. overseas investments.
5. Pacific Asia and the Near East produce on average 25% of total world production of the eleven major mineral commodities.